

Combines Investigation Act

States. Since that time legislation in forty-five of the United States and in inter-state trade has provided a legal framework for resale price maintenance and has, in effect, restored the ancient common law position under which resale price maintenance was a lawful, economically sound, marketing practice.

There we have it. We are proceeding to destroy what has been acceptable practice under common law. So that we face a period of time in which it will become increasingly evident that to replace that practice we must evolve a complicated framework of legal structure which will permit the very thing which we abolished.

It seems to me this is a very foolish procedure. I cannot let that belief stand in the way of the practical knowledge that quite apparently the house intends to proceed with this legislation abolishing resale price maintenance. I must admit I am a little concerned over the phraseology of the amendment now before us, because to my mind it creates some ambiguity. I do not believe it is absolutely clear that what is intended is the establishment of a provision whereby legislation may be studied which will introduce what is commonly known in this country and in the United States as fair trade laws.

Because I wish to be absolutely sure about what we are voting on, and because I do not wish to lay myself open to supporting something which may turn out entirely different from what I had thought it meant, I move, seconded by the hon. member for Kamloops (Mr. Fulton):

That the amendment be amended by deleting all the words after the word "providing" and substituting the following: "for the establishment of a fair trade commission."

Mr. George H. Hees (Broadview): Mr. Speaker, I was very much interested to hear what the hon. member for York South (Mr. Noseworthy) had to say on this matter a few moments ago. It was very refreshing indeed to hear his viewpoint, because it was so diametrically opposed to that expressed by the hon. member for Vancouver East (Mr. MacInnis) in the committee on resale price maintenance, on which I had the honour to serve. The hon. member for Vancouver East was one of the two C.C.F. representatives on the committee, and expressed himself as being quite satisfied with the legislation. His only desire was to have it put through immediately, without any change whatsoever.

It would seem now, as evidenced by the opinions expressed by the hon. member for York South, that the C.C.F. party is perhaps realizing that this legislation is a great threat to the business life of the small retailer. I hope his views are now those generally accepted by the C.C.F.

[Mrs. Fairclough.]

The hon. member for Hamilton West (Mrs. Fairclough) has just said that we should give careful consideration to the fair trade laws which are now the accepted practice in the United States. With that I agree. It is most important that we examine carefully the experience of the United States. I am going to go over some of the ground which I went over a few nights ago, and express some further opinions on the United States fair trade laws. I shall say something about the experience of that country in the past fifty years.

In 1900 the United States made resale price maintenance illegal. During the next thirty years, both consumers and retailers found that the condition which this abolition of resale price maintenance created was most unsatisfactory, and 1931 saw the appearance of the first fair trade law in California. This law proved to be so satisfactory to both consumers and retailers that today, in 45 of the 48 states, the abolition of resale price maintenance has been replaced by fair trade laws.

It is obvious from this that the fair trade laws of the United States are just as satisfactory to consumers as they are to retailers, because there are more consumers than there are retailers, and the consumers elect governments. If these fair trade laws had not proved to be more satisfactory to the consumers of the United States than the abolition of price maintenance, these 45 state governments would have been thrown out, and the fair trade laws would have been thrown out with them.

The fact that the number of state governments which have introduced fair trade laws has increased from one to forty-five in the past twenty years I believe demonstrates clearly that the overwhelming majority of the people in the United States are satisfied with the deal they get under fair trade laws. It demonstrates also, I submit, that both consumers and retailers feel that they get a better deal under these fair trade laws than they got during the period when resale price maintenance was abolished.

I do not claim for one moment that just because laws are satisfactory to the people of the United States they are necessarily the best for this country. But I do think it is important for us to remember that their economy and buying habits are very similar to ours. Therefore, I think we should examine most carefully their experience during the past half century, before embarking on any new legislation of our own. We are planning to take a step which they took fifty years ago, and which has proved to be unsatisfactory; so much so, in fact, that that step